



January 18, 2006

HOUSE BILL No. 1102

DIGEST OF HB 1102 (Updated January 11, 2006 7:10 pm - DI 73)

Citations Affected: IC 5-3; IC 5-11; IC 5-23; IC 6-1.1; IC 8-1.5; IC 8-6; IC 9-22; IC 33-36; IC 36-1; IC 36-4; IC 36-5; IC 36-7; IC 36-8; IC 36-9; noncode.

Synopsis: Local government matters. Provides that in the case of a notice that must be published by a city or town under the statute concerning publication procedures, the city or town must publish the notice two times, at least one week apart, with the second publication made at least seven days before the event or action for which the notice is provided. Provides that if a county auditor publishes a notice concerning a tax rate, tax levy, or budget of a political subdivision in the county and the notice contains an error or omission for which the county auditor is responsible: (1) the department of local government finance may correct the error or omission at any time; and (2) the maximum amount to which the department of local government finance may increase the tax rate, tax levy, or budget is the amount originally fixed by the political subdivision and not the amount incorrectly published or omitted in the notice. Allows the northwestern Indiana regional planning commission to pay a claim or purchase order without obtaining a vendor's signature. Provides that a claim for reimbursement of mileage, meal, and lodging expenses to attend a state board of accounts conference may not be denied if the claim meets statutory requirements. Allows a municipality to adopt an ordinance providing for meal expense advances for a municipal employee who will be traveling on official business. Increases from \$100 to \$500 the maximum amount that a violations clerk may accept for payment of ordinance violations. Provides that the amount that may be accepted shall be set by ordinance. Increases the cost threshold at which bids are

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Effective: Upon passage; July 1, 2006.

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January 5, 2006, read first time and referred to Committee on Local Government.
January 17, 2006, amended, reported — Do Pass.

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required for certain political subdivisions under the local public works statute to \$50,000. Repeals a related provision requiring quotes. Eliminates the requirement that a city legislative body hold its first regular meeting of the year at 7:30 p.m. on a Monday. Establishes a deadline of September 30 for a municipality to address property tax and budget matters and to set employee compensation for the following year. Increases the maximum term of a loan that a city or town may enter into from five to ten years. Provides that, beginning July 1, 2007, the trustee of each township in Lake, Porter, and LaPorte counties shall appoint a member to the northwestern Indiana regional planning commission if the township: (1) has a population of at least 8,000; and (2) does not contain a municipality. Reestablishes the northwest Indiana transportation study commission. (The existing northwest Indiana transportation study commission expired November 2, 2005.) Authorizes a municipality to establish a sewer improvement and extension fund and impose assessments to finance the construction, repair, or improvement of a sewage works. Provides that assessments are imposed and collected in the same manner as Barrett Law assessments. Adds the following two members to the board of the regional bus authority serving Lake County and Porter County: (1) One member appointed jointly by the town board presidents of the towns of Chesterton, Porter, Burns Harbor, and Dune Acres. (2) One member appointed jointly by the township trustees of Washington, Morgan, Pleasant, Boone, Union, Porter, Jackson, Liberty, and Pine townships in Porter County. Deletes a provision specifying that members of the board from Porter County may not vote on certain issues unless Porter County makes payments to the authority. Makes other changes concerning local government.

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January 18, 2006

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

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HOUSE BILL No. 1102

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-3-1-2 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) This section applies only
3 when notice of an event is required to be given by publication in
4 accordance with IC 5-3-1.
5 (b) **Except as provided in subsection (n)**, if the event is a public
6 hearing or meeting concerning any matter not specifically mentioned
7 in subsection (c), (d), (e), (f), (g), or (h), notice shall be published one
8 (1) time, at least ten (10) days before the date of the hearing or
9 meeting.
10 (c) **Except as provided in subsection (n)**, if the event is an
11 election, notice shall be published one (1) time, at least ten (10) days
12 before the date of the election.
13 (d) **Except as provided in subsection (n)**, if the event is a sale of
14 bonds, notes, or warrants, notice shall be published two (2) times, at
15 least one (1) week apart, with:

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(1) the first publication made at least fifteen (15) days before the date of the sale; and

(2) the second publication made at least three (3) days before the date of the sale.

(e) **Except as provided in subsection (n)**, if the event is the receiving of bids, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least seven (7) days before the date the bids will be received.

(f) **Except as provided in subsection (n)**, if the event is the establishment of a cumulative or sinking fund, notice of the proposal and of the public hearing that is required to be held by the political subdivision shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the date of the hearing.

(g) **Except as provided in subsection (n)**, if the event is the submission of a proposal adopted by a political subdivision for a cumulative or sinking fund for the approval of the department of local government finance, the notice of the submission shall be published one (1) time. The political subdivision shall publish the notice when directed to do so by the department of local government finance.

(h) If the event is the required publication of an ordinance, notice of the passage of the ordinance shall be published one (1) time within thirty (30) days after the passage of the ordinance.

(i) If the event is one about which notice is required to be published after the event, notice shall be published one (1) time within thirty (30) days after the date of the event.

(j) **Except as provided in subsection (n)**, if the event is anything else, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the event.

(k) In case any officer charged with the duty of publishing any notice required by law is unable to procure advertisement at the price fixed by law, or the newspaper refuses to publish the advertisement, it is sufficient for the officer to post printed notices in three (3) prominent places in the political subdivision, instead of advertisement in newspapers.

(l) If a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and the published notice contains an error due to the fault of a newspaper, the notice as presented for publication is a valid notice under this chapter.

(m) Notwithstanding subsection (j), if a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and

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if the notice is not published at least ten (10) days before the date fixed for the public hearing on the budget estimate due to the fault of a newspaper, the notice is a valid notice under this chapter if it is published one (1) time at least three (3) days before the hearing.

(n) This subsection applies to notices published by officers of a city or town. In the case of an event or action that is any of the following, a city or town must publish any required notice of the event or action two (2) times, at least one (1) week apart, with the second publication made at least seven (7) days before the event or action:

(1) A public hearing for which a statute requires notice to be published under this chapter.

(2) An election.

(3) A sale of bonds, notes, or warrants.

(4) A receipt of bids.

(5) An establishment of a cumulative or sinking fund.

(6) A submission of a proposal adopted for a cumulative or sinking fund for the approval of the department of local government finance.

(7) Any other event or action not specifically mentioned in subdivisions (1) through (6).

SECTION 2. IC 5-3-1-2.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2.3. **(a)** A notice published in accordance with this chapter or any other Indiana statute is valid even though the notice contains errors or omissions, as long as:

(1) a reasonable person would not be misled by the error or omission; and

(2) the notice is in substantial compliance with the time and publication requirements applicable under this chapter or any other Indiana statute under which the notice is published.

(b) This subsection applies if:

(1) a county auditor publishes a notice concerning a tax rate, tax levy, or budget of a political subdivision in the county;

(2) the notice contains an error or omission that causes the notice to inaccurately reflect the tax rate, tax levy, or budget actually proposed or fixed by the political subdivision; and

(3) the county auditor is responsible for the error or omission described in subdivision (2).

Notwithstanding any other law, the department of local government finance may correct an error or omission described in subdivision (2) at any time.

SECTION 3. IC 5-11-10-1, AS AMENDED BY P.L.127-2005,



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SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) This section applies to the state and its political subdivisions. However, this section does not apply to the following:

- (1) The state universities.
- (2) Ivy Tech Community College of Indiana.
- (3) A municipality (as defined in IC 36-1-2-11).
- (4) A county.
- (5) An airport authority operating in a consolidated city.
- (6) A capital improvements board of managers operating in a consolidated city.
- (7) A board of directors of a public transportation corporation operating in a consolidated city.
- (8) A municipal corporation organized under IC 16-22-8-6.
- (9) A public library.
- (10) A library services authority.
- (11) A hospital organized under IC 16-22 or a hospital organized under IC 16-23.
- (12) A school corporation (as defined in IC 36-1-2-17).
- (13) A regional water or sewer district organized under IC 13-26 or under IC 13-3-2 (before its repeal).
- (14) A municipally owned utility (as defined in IC 8-1-2-1).
- (15) A board of an airport authority under IC 8-22-3.
- (16) A conservancy district.
- (17) A board of aviation commissioners under IC 8-22-2.
- (18) A public transportation corporation under IC 36-9-4.
- (19) A commuter transportation district under IC 8-5-15.
- (20) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).
- (21) A county building authority under IC 36-9-13.
- (22) A soil and water conservation district established under IC 14-32.

(23) The northwestern Indiana regional planning commission established by IC 36-7-7.6-3.

(b) No warrant or check shall be drawn by a disbursing officer in payment of any claim unless the same has been fully itemized and its correctness properly certified to by the claimant or some authorized person in the claimant's behalf, and filed and allowed as provided by law.

(c) The certificate provided for in subsection (b) is not required for:

- (1) claims rendered by a public utility for electric, gas, steam, water, or telephone services, the charges for which are regulated

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by a governmental body;

(2) a warrant issued by the auditor of state under IC 4-13-2-7(b);

(3) a check issued by a special disbursing officer under IC 4-13-2-20(g); or

(4) a payment of fees under IC 36-7-11.2-49(b) or IC 36-7-11.3-43(b).

(d) The disbursing officer shall issue checks or warrants for all claims which meet all of the requirements of this section. The disbursing officer does not incur personal liability for disbursements:

(1) processed in accordance with this section; and

(2) for which funds are appropriated and available.

(e) The certificate provided for in subsection (b) must be in the following form:

I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

SECTION 4. IC 5-11-10-1.6, AS AMENDED BY P.L.1-2005, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.6. (a) As used in this section, "governmental entity" refers to any of the following:

(1) A municipality (as defined in IC 36-1-2-11).

(2) A school corporation (as defined in IC 36-1-2-17), including a school extracurricular account.

(3) A county.

(4) A regional water or sewer district organized under IC 13-26 or under IC 13-3-2 (before its repeal).

(5) A municipally owned utility that is subject to IC 8-1.5-3 or IC 8-1.5-4.

(6) A board of an airport authority under IC 8-22-3.

(7) A board of aviation commissioners under IC 8-22-2.

(8) A conservancy district.

(9) A public transportation corporation under IC 36-9-4.

(10) A commuter transportation district under IC 8-5-15.

(11) The state.

(12) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).

(13) A levee authority established under IC 14-27-6.

(14) A county building authority under IC 36-9-13.

(15) A soil and water conservation district established under IC 14-32.

(16) The northwestern Indiana regional planning commission established by IC 36-7-7.6-3.

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(b) As used in this section, "claim" means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim.

This subsection does not prohibit a school corporation, with prior approval of the board having jurisdiction over allowance of payment of the claim, from making payment in advance of receipt of services as allowed by guidelines developed under IC 20-20-13-10. **This subsection does not prohibit a municipality from making meal expense advances to a municipal employee who will be traveling on official municipal business if the municipal fiscal body has adopted an ordinance allowing the advance payment, specifying the maximum amount that may be paid in advance, specifying the required invoices and other documentation that must be submitted by the municipal employee, and providing for reimbursement from the wages of the municipal employee if the municipal employee does not submit the required invoices and documentation.**

(d) The fiscal officer of a governmental entity shall issue checks or warrants for claims by the governmental entity that meet all of the requirements of this section. The fiscal officer does not incur personal liability for disbursements:

- (1) processed in accordance with this section; and
- (2) for which funds are appropriated and available.

(e) The certification provided for in subsection (c)(4) must be on a form prescribed by the state board of accounts.

SECTION 5. IC 5-11-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) As used in this section, "official" includes the following:

- (1) An elected official who is entitled to attend a conference under this section.
- (2) An individual elected to an office who is entitled to attend a conference under this section.

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- 1 (3) A deputy or an assistant to an elected official who is entitled
 2 to attend a conference under this section.
- 3 (b) The state board of accounts shall annually call a conference of
 4 each of the following:
- 5 (1) County auditors and auditors elect.
 6 (2) County treasurers and treasurers elect.
 7 (3) Circuit court clerks and circuit court clerks elect.
- 8 (c) Each of the conferences called under subsection (b):
 9 (1) must be held at a time and place fixed by the state examiner;
 10 (2) may be held statewide or by district; and
 11 (3) may not continue for longer than three (3) days in any one (1)
 12 year.
- 13 (d) The following training must be provided at each conference
 14 called under subsection (b):
- 15 (1) The proper use of forms prescribed by the state board of
 16 accounts.
 17 (2) The keeping of the records of the respective offices.
 18 (3) At the conference for county treasurers and treasurers elect,
 19 investment training by the following:
- 20 (A) The treasurer of state.
 21 (B) The board for depositories.
 22 (C) Any other person the state examiner considers to be
 23 competent in providing investment training.
- 24 (4) Any other training that, in the judgment of the state examiner,
 25 will result in the better conduct of the public business.
- 26 (e) The state examiner may hold other conferences for:
 27 (1) the officials described in subsection (b); or
 28 (2) other county, city, or township officers;
 29 whenever in the judgment of the state examiner conferences are
 30 necessary.
- 31 (f) Whenever a conference is called by the state board of accounts
 32 under this section, an elected official, at the direction of the state
 33 examiner, may require the attendance of:
- 34 (1) each of the elected official's appointed and acting chief
 35 deputies or chief assistants; and
 36 (2) if the number of deputies or assistants employed:
- 37 (A) does not exceed three (3), one (1) of the elected official's
 38 appointed and acting deputies or assistants; or
 39 (B) exceeds three (3), two (2) of the elected official's duly
 40 appointed and acting deputies or assistants.
- 41 (g) Each official **representing a unit and** attending any conference
 42 under this section shall be allowed **the following:**

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(1) A sum for mileage at a rate determined by the fiscal body of the unit the official represents for each mile necessarily traveled in going to and returning from the conference by the most expeditious route. ~~a sum for mileage at a rate determined by the fiscal body of the unit the official represents.~~ Each official shall also be allowed, while attending a conference called under this section, **Regardless of the duration of the conference, only one (1) mileage reimbursement shall be allowed to the official furnishing the conveyance even if the official transports more than one (1) person.**

(2) An allowance for lodging for each night preceding conference attendance in an amount equal to the single room rate. However, lodging expense, in the case of a one (1) day conference, shall only be allowed for persons who reside fifty (50) miles or farther from the conference location.

(3) ~~Each official shall be reimbursed;~~ **Reimbursement of an official**, in an amount determined by the fiscal body of the unit the official represents, for meals purchased while attending a conference called under this section. ~~Regardless of the duration of the conference, only one (1) mileage reimbursement shall be allowed to the official furnishing the conveyance although the official transports more than one (1) person.~~

(h) The state board of accounts shall certify the number of days of attendance and the mileage for each conference to each official attending any conference under this section.

(i) All payments of mileage and lodging shall be made by the proper disbursing officer in the manner provided by law on a duly verified claim or voucher to which shall be attached the certificate of the state board of accounts showing the number of days attended and the number of miles traveled. All payments shall be made from the general fund from any money not otherwise appropriated and without any previous appropriation being made therefor.

(j) A claim for reimbursement under this section may not be denied by the body responsible for the approval of claims if the claim complies with IC 5-11-10-1.6 and this section.

SECTION 6. IC 5-23-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. **(a)** If a recommendation to award the public-private agreement is made to the board, the board shall schedule a public hearing on the recommendation and publish notice of the hearing **as follows:**

(1) In the case of a political subdivision other than a city or town, one (1) time in accordance with IC 5-3-1 at least seven (7)

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days before the hearing.

(2) In the case of a city or town, two (2) times in accordance with IC 5-3-1-2(n), at least one (1) week apart, with the second publication made at least seven (7) days before the hearing.

(b) The notice under subsection (a) shall include the following:

- (1) The date, time, and place of the hearing.
- (2) The subject matter of the hearing.
- (3) A description of the public-private agreement to be awarded.
- (4) The recommendation that has been made to award the public-private agreement to an identified offeror or offerors.
- (5) The address and telephone number of the board.
- (6) A statement indicating that the proposals and an explanation of the basis upon which the recommendation is being made are available for public inspection and copying at the principal office of the board during regular business hours.

SECTION 7. IC 6-1.1-17-3, AS AMENDED BY P.L.234-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

- (1) the estimated budget;
- (2) the estimated maximum permissible levy;
- (3) the current and proposed tax levies of each fund; and
- (4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. **In the case of a political subdivision other than a city or town**, the notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. **In the case of a city or town, the notice shall be published two (2) times under IC 5-3-1-2(n), at least one (1) week apart, with the second publication made at least seven (7) days before the date fixed for the public hearing.**

(b) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

- (1) in any county of the solid waste management district; and
- (2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(c) The trustee of each township in the county shall estimate the

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amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(d) A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter a tax rate sufficient to raise the levy necessary to pay the following:

(1) The cost of child services (as defined in IC 12-19-7-1) of the county payable from the family and children's fund.

(2) The cost of children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1) of the county payable from the children's psychiatric residential treatment services fund.

A budget, tax rate, or tax levy adopted by a county fiscal body or approved or modified by a county board of tax adjustment that is less than the levy necessary to pay the costs described in subdivision (1) or (2) shall not be treated as a final budget, tax rate, or tax levy under section 11 of this chapter.

SECTION 8. IC 6-1.1-17-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. (a) The officers of political subdivisions shall meet each year to fix the budget, tax rate, and tax levy of their respective subdivisions for the ensuing budget year as follows:

(1) The fiscal body of a consolidated city and county, not later than the last meeting of the fiscal body in September.

(2) The fiscal body of a ~~second class city~~, **municipality**, not later than September 30.

(3) The board of school trustees of a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000), not later than:

(A) the time required in section 5.6(b) of this chapter; or

(B) September 20 if a resolution adopted under section 5.6(d) of this chapter is in effect.

(4) The proper officers of all other political subdivisions, not later than September 20.

Except in a consolidated city and county and in a second class city, the public hearing required by section 3 of this chapter must be completed at least ten (10) days before the proper officers of the political subdivision meet to fix the budget, tax rate, and tax levy. In a

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consolidated city and county and in a second class city, that public hearing, by any committee or by the entire fiscal body, may be held at any time after introduction of the budget.

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.

(d) This subsection does not apply to a school corporation. Each year at least two (2) days before the first meeting of the county board of tax adjustment held under IC 6-1.1-29-4, a political subdivision shall file with the county auditor:

(1) a statement of the tax rate and levy fixed by the political subdivision for the ensuing budget year;

(2) two (2) copies of the budget adopted by the political subdivision for the ensuing budget year; and

(3) two (2) copies of any findings adopted under subsection (c).

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting.

(e) In a consolidated city and county and in a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county board of tax adjustment within two (2) days after the ordinances are signed by the executive, or within two (2) days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

(f) If a fiscal body does not fix the budget, tax rate, and tax levy of the political subdivisions for the ensuing budget year as required under this section, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

SECTION 9. IC 6-1.1-17-16, AS AMENDED BY P.L.228-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16. (a) Subject to the limitations and requirements prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget by fund, tax rate, or tax levy which the department reviews under section 8 or 10 of this chapter.

(b) Subject to the limitations and requirements prescribed in this

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1 section, the department of local government finance may review,
 2 revise, reduce, or increase the budget by fund, tax rate, or tax levy of
 3 any of the political subdivisions whose tax rates compose the aggregate
 4 tax rate within a political subdivision whose budget, tax rate, or tax
 5 levy is the subject of an appeal initiated under this chapter.

6 (c) Except as provided in subsections (j) and (k), before the
 7 department of local government finance reviews, revises, reduces, or
 8 increases a political subdivision's budget by fund, tax rate, or tax levy
 9 under this section, the department must hold a public hearing on the
 10 budget, tax rate, and tax levy. The department of local government
 11 finance shall hold the hearing in the county in which the political
 12 subdivision is located. The department of local government finance
 13 may consider the budgets by fund, tax rates, and tax levies of several
 14 political subdivisions at the same public hearing. At least five (5) days
 15 before the date fixed for a public hearing, the department of local
 16 government finance shall give notice of the time and place of the
 17 hearing and of the budgets by fund, levies, and tax rates to be
 18 considered at the hearing. The department of local government finance
 19 shall publish the notice in two (2) newspapers of general circulation
 20 published in the county. However, if only one (1) newspaper of general
 21 circulation is published in the county, the department of local
 22 government finance shall publish the notice in that newspaper.

23 (d) Except as provided in subsection (i), IC 6-1.1-19, or
 24 IC 6-1.1-18.5, the department of local government finance may not
 25 increase a political subdivision's budget by fund, tax rate, or tax levy to
 26 an amount which exceeds the amount originally fixed by the political
 27 subdivision. **However, if the department of local government**
 28 **finance determines that IC 5-3-1-2.3(b) applies to the tax rate, tax**
 29 **levy, or budget of the political subdivision, the maximum amount**
 30 **by which the department may increase the tax rate, tax levy, or**
 31 **budget is the amount originally fixed by the political subdivision,**
 32 **and not the amount that was incorrectly published or omitted in**
 33 **the notice described in IC 5-3-1-2.3(b).** The department of local
 34 government finance shall give the political subdivision written
 35 notification specifying any revision, reduction, or increase the
 36 department proposes in a political subdivision's tax levy or tax rate.
 37 The political subdivision has one (1) week from the date the political
 38 subdivision receives the notice to provide a written response to the
 39 department of local government finance's Indianapolis office specifying
 40 how to make the required reductions in the amount budgeted by fund.
 41 The department of local government finance shall make reductions as
 42 specified in the political subdivision's response if the response is

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provided as required by this subsection and sufficiently specifies all necessary reductions. The department of local government finance may make a revision, a reduction, or an increase in a political subdivision's budget only by fund.

(e) The department of local government finance may not approve a levy for lease payments by a city, town, county, library, or school corporation if the lease payments are payable to a building corporation for use by the building corporation for debt service on bonds and if:

- (1) no bonds of the building corporation are outstanding; or
- (2) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested.

(f) The department of local government finance shall certify its action to:

- (1) the county auditor;
- (2) the political subdivision if the department acts pursuant to an appeal initiated by the political subdivision;
- (3) the first ten (10) taxpayers whose names appear on a petition filed under section 13 of this chapter; and
- (4) a taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

(g) The following may petition for judicial review of the final determination of the department of local government finance under subsection (f):

- (1) If the department acts under an appeal initiated by a political subdivision, the political subdivision.
- (2) If the department acts under an appeal initiated by taxpayers under section 13 of this chapter, a taxpayer who signed the petition under that section.
- (3) If the department acts under an appeal initiated by the county auditor under section 14 of this chapter, the county auditor.
- (4) A taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (f).

(h) The department of local government finance is expressly directed to complete the duties assigned to it under this section not later than February 15th of each year for taxes to be collected during that year.

(i) Subject to the provisions of all applicable statutes, the

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department of local government finance may increase a political subdivision's tax levy to an amount that exceeds the amount originally fixed by the political subdivision if the increase is:

(1) requested in writing by the officers of the political subdivision;

(2) either:

(A) based on information first obtained by the political subdivision after the public hearing under section 3 of this chapter; or

(B) results from an inadvertent mathematical error made in determining the levy; and

(3) published by the political subdivision according to a notice provided by the department.

(j) The department of local government finance shall annually review the budget by fund of each school corporation not later than April 1. The department of local government finance shall give the school corporation written notification specifying any revision, reduction, or increase the department proposes in the school corporation's budget by fund. A public hearing is not required in connection with this review of the budget.

(k) The department of local government finance may hold a hearing under subsection (c) only if the notice required in IC 6-1.1-17-12 is published at least ten (10) days before the date of the hearing.

SECTION 10. IC 6-1.1-18-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. (a) If the proper officers of a political subdivision desire to appropriate more money for a particular year than the amount prescribed in the budget for that year as finally determined under this article, they shall give notice of their proposed additional appropriation. The notice shall state the time and place at which a public hearing will be held on the proposal. **In the case of a political subdivision other than a city or town, the notice shall be given once in accordance with IC 5-3-1-2(b). In the case of a city or town, the notice shall be published two (2) times under IC 5-3-1-2(n), at least one (1) week apart, with the second publication made at least seven (7) days before the date of the public hearing.**

(b) If the additional appropriation by the political subdivision is made from a fund that receives:

(1) distributions from the motor vehicle highway account established under IC 8-14-1-1 or the local road and street account established under IC 8-14-2-4; or

(2) revenue from property taxes levied under IC 6-1.1;

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the political subdivision must report the additional appropriation to the department of local government finance. If the additional appropriation is made from a fund described under this subsection, subsections (f), (g), (h), and (i) apply to the political subdivision.

(c) However, if the additional appropriation is not made from a fund described under subsection (b), subsections (f), (g), (h), and (i) do not apply to the political subdivision. Subsections (f), (g), (h), and (i) do not apply to an additional appropriation made from the cumulative bridge fund if the appropriation meets the requirements under IC 8-16-3-3(c).

(d) A political subdivision may make an additional appropriation without approval of the department of local government finance if the additional appropriation is made from a fund that is not described under subsection (b). However, the fiscal officer of the political subdivision shall report the additional appropriation to the department of local government finance.

(e) After the public hearing, the proper officers of the political subdivision shall file a certified copy of their final proposal and any other relevant information to the department of local government finance.

(f) When the department of local government finance receives a certified copy of a proposal for an additional appropriation under subsection (e), the department shall determine whether sufficient funds are available or will be available for the proposal. The determination shall be made in writing and sent to the political subdivision not more than fifteen (15) days after the department of local government finance receives the proposal.

(g) In making the determination under subsection (f), the department of local government finance shall limit the amount of the additional appropriation to revenues available, or to be made available, which have not been previously appropriated.

(h) If the department of local government finance disapproves an additional appropriation under subsection (f), the department shall specify the reason for its disapproval on the determination sent to the political subdivision.

(i) A political subdivision may request a reconsideration of a determination of the department of local government finance under this section by filing a written request for reconsideration. A request for reconsideration must:

- (1) be filed with the department of local government finance within fifteen (15) days of the receipt of the determination by the political subdivision; and

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(2) state with reasonable specificity the reason for the request.
The department of local government finance must act on a request for reconsideration within fifteen (15) days of receiving the request.

SECTION 11. IC 6-1.1-20-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. For purposes of this chapter, the term "bonds" means any bonds or other evidences of indebtedness payable from property taxes for a controlled project, but does not include:

- (1) notes representing loans under IC 36-2-6-18 **or** IC 36-3-4-22 ~~IC 36-4-6-20, or IC 36-5-2-11~~ **which that** are payable within five (5) years after issuance **or notes representing loans under IC 36-4-6-20 or IC 36-5-2-11 that are payable within ten (10) years after issuance;**
- (2) warrants representing temporary loans which are payable out of taxes levied and in the course of collection;
- (3) a lease;
- (4) obligations; or
- (5) funding, refunding, or judgment funding bonds of political subdivisions.

SECTION 12. IC 8-1.5-4-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 15. (a) If, upon investigation, the board finds:

- (1) that the waterworks, plant, system, or equipment is insufficient to furnish the necessary supply of water to properly protect the public health and welfare and safeguard the property within the waterworks district; or
- (2) that it is necessary to rebuild, repair, extend, and improve the waterworks, plant, systems, and equipment and to acquire lands, construct, erect, or acquire other plants, reservoirs, systems, and other structures and equipment appurtenant to them;

the board shall prepare maps, plans, specifications, and drawings with full details and descriptions for the proposed work, together with an estimate of the cost. The board shall also prepare a description of all property rights necessary to be acquired in connection with the proposed work and the manner in which the rights are to be acquired, whether by purchase or appropriation, along with a description of any other lands that may be injuriously affected, together with the estimated cost.

(b) The board shall then adopt a resolution:

- (1) declaring that it is necessary for the protection of the public health and welfare of the inhabitants of the waterworks district and the safeguarding of the property within the district;

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- (2) declaring that it is of public utility and benefit;
- (3) appropriating the property described in the resolution;
- (4) stating the maximum proposed cost of any land to be purchased; and
- (5) adopting plans, maps, specifications, drawings, details, descriptions, and estimates.

(c) If the resolution is adopted, the board shall publish a notice in accordance with IC 5-3-1 of the adoption, the resolution, and the fact that plans, specifications, and estimates have been prepared and can be inspected. The notice must also name a date, not less than ~~ten (10)~~ **seven (7)** days after the date of the last publication, when the board will receive or hear remonstrances from the persons interested in, or affected by, the resolution, and when it will determine their public utility and benefit. Notice shall be mailed to the owners of all lands appropriated by the resolution. If a landowner is a nonresident and his place of residence is known, a notice shall be mailed to the nonresident owner. If the nonresident owner's residence is unknown to the board, then he is considered notified of the pendency of the proceedings by the publication of notice.

(d) In the resolution and notice, separate descriptions of each piece or parcel of land are not required, but it is a sufficient description of the property purchased or to be purchased, or to be appropriated or damaged, to give a description of the entire tract, whether it is one (1) or more lots or parcels and whether it is owned by one (1) or more persons.

(e) All persons affected by the proceedings, including all taxpayers in the waterworks district, are considered to be notified of the proceedings and all subsequent acts, hearings, adjournments, and orders of the board by the original publication of notice.

(f) The board may, before adoption of the resolution, obtain from the owners of the land an option for its purchase or may enter into a contract for its purchase after an appraisal by two (2) qualified land surveyors. Such an option or contract is subject to the final action of the board confirming, modifying, or rescinding the resolution.

SECTION 13. IC 8-1.5-5-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 17. (a) If, upon investigation, the board finds that:

- (1) the storm water system is insufficient to furnish the necessary collection and disposal of storm water to properly protect the public health and welfare and safeguard the property within the district; or
- (2) it is necessary to acquire, construct, rebuild, repair, extend,

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and improve the storm water system and equipment, to acquire lands, or to construct, erect, or acquire other systems and other structures and equipment appurtenant to them;

the board shall prepare maps, plans, specifications, and drawings with full details and descriptions for the proposed work, together with an estimate of the cost. The board shall also prepare a description of all property rights necessary to be acquired in connection with the proposed work and the manner in which the rights are to be acquired, whether by purchase or appropriation, along with a description of any other property that may be injuriously affected, together with the estimated cost.

(b) The board shall then adopt a resolution approving the project by:

(1) declaring that it is necessary for the protection of the public health and welfare of the inhabitants of the storm water district and the safeguarding of the property within the district;

(2) declaring that it is of public utility and benefit;

(3) appropriating the property described in the resolution;

(4) stating the maximum proposed cost of any land to be purchased; and

(5) adopting plans, maps, specifications, drawings, details, descriptions, and estimates.

(c) If the resolution is adopted, the board shall publish a notice in accordance with IC 5-3-1 of the adoption of the resolution and of the fact that plans, specifications, and estimates have been prepared and can be inspected. The notice must also name a date, not less than ~~ten~~ **seven (7)** days after the date of the last publication, when the board will receive or hear remonstrances from the persons interested in, or affected by, the resolution, and when it will determine the public utility and benefit of the project. Notice shall be mailed to the owners of all property appropriated by the resolution. If a landowner is a nonresident and the landowner's place of residence is known, a notice shall be mailed to the nonresident owner. If the nonresident owner's residence is unknown to the board, then the owner is considered notified of the pendency of the proceedings by the publication of notice.

(d) Separate descriptions of each piece or parcel of land are not required in the resolution and notice, but it is a sufficient description of the property purchased or to be purchased, or to be appropriated or damaged, to give a description of the entire tract, whether it is one (1) or more lots or parcels and whether it is owned by one (1) or more persons.

(e) All persons affected by the proceedings, including all taxpayers

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1 in the storm water district, are considered to be notified of the
 2 proceedings and all subsequent acts, hearings, adjournments, and
 3 orders of the board by the original publication of notice.

4 (f) The board may, before adoption of the resolution, obtain from the
 5 owners of the property an option for its purchase or may enter into a
 6 contract for its purchase after an appraisal by two (2) qualified land
 7 appraisers. An option or contract is subject to the final action of the
 8 board confirming, modifying, or rescinding the resolution.

9 SECTION 14. IC 8-6-2.1-9 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) Upon the
 11 adoption of the resolution for separation or alteration of grades, the
 12 board shall cause notice of the adoption and intention, and of the fact
 13 that the maps, plans, specifications, agreements and estimates have
 14 been prepared and can be inspected, to be published in accordance with
 15 IC 5-3-1. The notice shall name a day not less than ~~twenty (20)~~ **seven**
 16 **(7)** days after the date of the last publication on which the board will
 17 receive or hear remonstrances from persons interested in or affected by
 18 the proceedings and when it will determine the public necessity and
 19 convenience of the project.

20 (b) A like notice shall be sent by mail to the owners of all lands to
 21 be appropriated under and by the resolution, and in case any landowner
 22 is a nonresident and his place of residence is known, a like notice shall
 23 be mailed to him, but in event the nonresident owner's residence is
 24 unknown by the board, then he is considered to have been notified of
 25 the pendency of the proceedings by the publication of notice. A like
 26 notice shall also be served on a resident agent or officer of any railroad
 27 company or street railway company whose tracks are affected by the
 28 proceeding, but failure to serve the notice shall not invalidate the
 29 jurisdiction of the board in the premises.

30 (c) If the Indiana state highway commission and the county in which
 31 the city is located participate in the proceedings, then a like notice shall
 32 be served upon the state highway commission and upon the board of
 33 commissioners of the county.

34 SECTION 15. IC 8-6-2.1-23 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 23. (a) Upon the
 36 completion of the roll, the board shall consider, determine, and award
 37 the amount of damages sustained by the owners of the several parcels
 38 of land required to be appropriated, if any, as provided for in the
 39 resolution, or which will incur damages, and, then the board shall
 40 consider, determine, and assess the amount of particular benefits which
 41 will accrue to the several lots or parcels of land, exclusive of
 42 improvements, lying within two thousand (2,000) feet of any grade

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crossing eliminated or altered by the improvement, or within two thousand (2,000) feet of any lands or rights-of-way abandoned in whole or in part for railroad use or from which railroad facilities are to be removed, as provided for in the resolution, by reason of their proximity, in addition to the benefits received by the lots or parcels of land in common with all property, real and personal, located in the district. The total amount of the particular benefits assessed against the lots and parcels of land, exclusive of improvements, located within the two thousand (2,000) feet, may not in any case exceed forty percent (40%) of the city's share of the total cost of the grade separation improvement.

(b) When the roll is completed, the board shall publish, in accordance with IC 5-3-1, a notice describing the location of the land appropriated and the general character of the improvement, and stating whether assessments have been made against lands within the two thousand (2,000) foot distance. The notice shall also state that the assessment roll, with the names of the owners in favor of whom damages have been awarded and against whom assessments have been made, and descriptions of property affected, with the amounts of preliminary awards or assessments as to each piece or parcel of property affected, is on file and can be seen in the office of the board. The board shall also send by United States mail a notice to the place of residence, if known, of persons owning lands to be taken, or incurring damages, or against which special assessments have been made, showing each item of the determination as to those persons. In case any person affected is a nonresident, or his residence is unknown, he is considered to have been notified by the publication. The notices shall name a day not earlier than ~~ten (10)~~ **seven (7)** days after the last date of publication, or after the date of mailing, as above provided, on which the board will receive and hear remonstrances from persons with regard to the amount of their respective awards or assessments. Persons not included in the roll of awards or damages and claiming to be entitled to the same are considered to have been notified of the pendency of the proceedings by the original notice of the resolution of the board and by the publication required by this section.

(c) If there are defects or irregularities of any kind in the proceedings with respect to one (1) or more interested persons, they do not affect the proceedings, except so far as they may affect the interest or property of the person or persons, and do not avail any other person. In case of any defect, supplementary proceedings of the same general character as those otherwise prescribed by this chapter may be instituted in order to correct the defect.

SECTION 16. IC 8-6-2.1-29 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 29. (a) In order to raise
 2 money to pay the city's portion of the total cost of an improvement and
 3 in anticipation of the special benefit tax to be levied, the board shall
 4 issue, in the name of the city, at one (1) time, or from time to time as
 5 the proceeds are needed, the bonds of the grade separation or railroad
 6 relocation and reconstruction district not to exceed in aggregate amount
 7 the balance of the city's portion of the total cost after deducting from
 8 the city's portion the total amount of benefits, if any, which have been
 9 assessed by the board and finally confirmed or adjudged against lots
 10 and parcels of land exclusive of improvements lying within two
 11 thousand (2,000) feet of any grade crossing eliminated or altered by the
 12 improvement, or within two thousand (2,000) feet of any lands or
 13 rights-of-way abandoned in whole or in part for railroad use or from
 14 which railroad facilities are to be removed.

15 (b) The bonds may be issued in any denomination not exceeding one
 16 thousand dollars (\$1,000) each in not less than forty (40) nor more than
 17 sixty (60) equal series, as the board determines, and shall be payable
 18 one (1) series each six (6) months beginning on the first day of July of
 19 the first year following the date of their issue. If the bond issue is
 20 ordered in any calendar year after the date of the annual tax levy, then
 21 the first series shall mature on the first day of July of the second year
 22 and the balance of the bonds at the designated regular intervals. The
 23 bonds shall be negotiable as inland bills of exchange and shall bear
 24 interest payable on the first days of January and July of each year, the
 25 first interest to be payable on the first maturity date of the bonds.

26 (c) Upon adoption of a resolution ordering bonds, the board shall
 27 certify a copy of the resolution to the controller or clerk-treasurer of the
 28 city in which the grade separation district is located; that officer shall
 29 prepare the bonds, and the mayor of the city shall execute the bonds
 30 and the city controller or clerk-treasurer shall attest the execution. The
 31 bonds shall be exempt from taxation for all purposes. All bonds issued
 32 by the board shall be sold by the city controller or clerk-treasurer to the
 33 highest bidder, but not at less than par and accrued interest to date of
 34 delivery, after giving notice of sale of the bonds by publication in
 35 accordance with IC 5-3-1. The publication shall be made not less than
 36 ~~fifteen (15)~~ **seven (7)** days prior to the date fixed for the sale of the
 37 bonds.

38 (d) The bonds are not a corporate obligation or indebtedness of the
 39 city, but constitute an indebtedness of the district as a special taxing
 40 district, and the bonds and interest shall be payable only out of a
 41 special tax levied upon all property of the special taxing district, as in
 42 this chapter provided, and the bonds shall recite the terms upon their

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face, together with the purposes for which they are issued.

(e) No suit to question the validity of the bonds issued for the special taxing district, or to prevent their issue, may be maintained after the date set for the sale of the bonds, and all bonds after that date are incontestable for any cause.

SECTION 17. IC 9-22-1-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 23. (a) This section applies to a consolidated city, second class city, or county.

(b) Except as provided in subsection (c), if the person who owns or holds a lien upon a vehicle does not appear within twenty (20) days after the mailing of a notice under section 20 of this chapter, the unit may sell the vehicle or parts by either of the following methods:

(1) The unit may sell the vehicle or parts to the highest bidder at a public sale. Notice of the sale shall be given under IC 5-3-1, except that, **in the case of a county**, only one (1) newspaper insertion one (1) week before the public sale is required.

(2) The unit may sell the vehicle or part as unclaimed property under IC 36-1-11. The twenty (20) day period for the property to remain unclaimed is sufficient for a sale under this subdivision.

(c) This subsection applies to a consolidated city or county containing a consolidated city. If the person who owns or holds a lien upon a vehicle does not appear within fifteen (15) days after the mailing of a notice under section 20 of this chapter, the unit may sell the vehicle or parts by either of the following methods:

(1) The unit may sell the vehicle or parts to the highest bidder at a public sale. Notice of the sale shall be given under IC 5-3-1, except that, **in the case of a county**, only one (1) newspaper insertion one (1) week before the public sale is required.

(2) The unit may sell the vehicle or part as unclaimed property under IC 36-1-11. The fifteen (15) day period for the property to remain unclaimed is sufficient for a sale under this subdivision.

SECTION 18. IC 33-36-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. The violations clerk may accept:

(1) written appearances;

(2) waivers of trial;

(3) admissions of violations; and

(4) payment of civil penalties **of up to a specific dollar amount set forth in an ordinance adopted by the legislative body, but not more than one five hundred dollars (\$100); (\$500);**

in ordinance violation cases, subject to the schedule prescribed under IC 33-36-3 by the legislative body.

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1 SECTION 19. IC 36-1-10-13 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 13. (a) After the leasing
 3 agent and the lessor have agreed upon the terms and conditions of the
 4 lease but before the execution of the lease, the leasing agent shall
 5 publish notice, in accordance with IC 5-3-1, of a public hearing to be
 6 held before the leasing agent. The cost of the publication of the notice
 7 shall be paid by the lessor. Notice of the hearing must be given at least
 8 ten (10) days before the hearing is held. **However, in the case of a**
 9 **leasing agent for a city or town, notice of the hearing must be given**
 10 **at least seven (7) days before the hearing is held.**

11 (b) The notice must state the date, place, and hour of the hearing
 12 and provide a summary of the principal terms of the lease.
 13 Additionally, the notice must contain the name of the proposed lessor,
 14 the location and character of the structure, transportation project, or
 15 system to be leased, the rental to be paid, and the number of years the
 16 lease is to be in effect.

17 (c) The proposed lease, drawings, plans, specifications, and
 18 estimates for the structure, or description and cost estimate of the
 19 transportation project or system, are open to public inspection during
 20 the ten (10) day period **or, in the case of a city or town, the seven (7)**
 21 **day period** and at the hearing.

22 (d) All persons are entitled to be heard at the hearing as to whether
 23 the execution of the lease is necessary and whether the rental is fair and
 24 reasonable for the proposed structure or system. After the hearing,
 25 which may be adjourned from time to time, the leasing agent may
 26 modify, confirm, or rescind the proposed lease, but the rental as set out
 27 in the published notice may not be increased. The leasing agent may
 28 rely on the testimony of independent experts as to the fairness and
 29 reasonableness of the lease.

30 (e) If the execution of the lease as originally agreed upon or as
 31 modified is authorized by the leasing agent, the leasing agent shall give
 32 notice of the execution of the lease by publication in accordance with
 33 IC 5-3-1.

34 SECTION 20. IC 36-1-12-3 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) The board may
 36 purchase or lease materials in the manner provided in IC 5-22 and
 37 perform any public work, by means of its own workforce, without
 38 awarding a contract whenever the cost of that public work project is
 39 estimated to be less than one hundred thousand dollars (\$100,000).
 40 Before a board may perform any work under this section by means of
 41 its own workforce, the political subdivision or agency must have a
 42 group of employees on its staff who are capable of performing the

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1 construction, maintenance, and repair applicable to that work. For
 2 purposes of this subsection, the cost of a public work project includes
 3 the actual cost of materials, labor, equipment, rental, a reasonable rate
 4 for use of trucks and heavy equipment owned, and all other expenses
 5 incidental to the performance of the project.

6 (b) When the project involves the rental of equipment with an
 7 operator furnished by the owner, or the installation or application of
 8 materials by the supplier of the materials, the project is considered to
 9 be a public work project and subject to this chapter. However, an
 10 annual contract may be awarded for equipment rental and materials to
 11 be installed or applied during a calendar or fiscal year if the proposed
 12 project or projects are described in the bid specifications.

13 (c) A board of aviation commissioners or an airport authority board
 14 may purchase or lease materials in the manner provided in IC 5-22 and
 15 perform any public work by means of its own workforce and owned or
 16 leased equipment, in the construction, maintenance, and repair of any
 17 airport roadway, runway, taxiway, or aircraft parking apron whenever
 18 the cost of that public work project is estimated to be less than ~~fifty~~
 19 ~~seventy-five~~ thousand dollars ~~(\$50,000)~~. **(\$75,000)**.

20 (d) Municipal and county hospitals must comply with this chapter
 21 for all contracts for public work that are financed in whole or in part
 22 with cumulative building fund revenue, as provided in section 1(c) of
 23 this chapter. However, if the cost of the public work is estimated to be
 24 less than ~~fifty~~ **seventy-five** thousand dollars ~~(\$50,000)~~, **(\$75,000)**, as
 25 reflected in the board minutes, the hospital board may have the public
 26 work done without receiving bids, by purchasing the materials and
 27 performing the work by means of its own workforce and owned or
 28 leased equipment.

29 (e) If a public works project involves a structure, an improvement,
 30 or a facility under the control of a department (as defined in
 31 IC 4-3-19-2(2)), the department may not artificially divide the project
 32 to bring any part of the project under this section.

33 SECTION 21. IC 36-1-12-4 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) This section
 35 applies whenever the cost of a public work project will be:

36 (1) at least seventy-five thousand dollars (\$75,000) in:

37 (A) a consolidated city or second class city;

38 (B) a county containing a consolidated city or second class
 39 city; or

40 (C) a regional water or sewage district established under
 41 IC 13-26;

42 (2) at least fifty thousand dollars (\$50,000) in:

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- 1 (A) a third class city or town with a population of more than
 2 five thousand (5,000); or
 3 (B) a county containing a third class city or town with a
 4 population of more than five thousand (5,000); or
 5 (3) at least ~~twenty-five~~ **fifty** thousand dollars (~~\$25,000~~) (**\$50,000**)
 6 in a political subdivision or an agency not described in
 7 subdivision (1) or (2).
 8 (b) The board must comply with the following procedure:
 9 (1) The board shall prepare general plans and specifications
 10 describing the kind of public work required, but shall avoid
 11 specifications which might unduly limit competition. If the
 12 project involves the resurfacing (as defined by IC 8-14-2-1) of a
 13 road, street, or bridge, the specifications must show how the
 14 weight or volume of the materials will be accurately measured
 15 and verified.
 16 (2) The board shall file the plans and specifications in a place
 17 reasonably accessible to the public, which shall be specified in the
 18 notice required by subdivision (3).
 19 (3) Upon the filing of the plans and specifications, the board shall
 20 publish notice in accordance with IC 5-3-1 calling for sealed
 21 proposals for the public work needed.
 22 (4) The notice must specify the place where the plans and
 23 specifications are on file and the date fixed for receiving bids.
 24 (5) The period of time between the date of the first publication
 25 and the date of receiving bids shall be governed by the size of the
 26 contemplated project in the discretion of the board, but it may not
 27 be more than six (6) weeks.
 28 (6) If the cost of a project is one hundred thousand dollars
 29 (\$100,000) or more, the board shall require the bidder to submit
 30 a financial statement, a statement of experience, a proposed plan
 31 or plans for performing the public work, and the equipment that
 32 the bidder has available for the performance of the public work.
 33 The statement shall be submitted on forms prescribed by the state
 34 board of accounts.
 35 (7) The board may not require a bidder to submit a bid before the
 36 meeting at which bids are to be received. The meeting for
 37 receiving bids must be open to the public. All bids received shall
 38 be opened publicly and read aloud at the time and place
 39 designated and not before.
 40 (8) Except as provided in subsection (c), the board shall:
 41 (A) award the contract for public work or improvements to the
 42 lowest responsible and responsive bidder; or

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- 1 (B) reject all bids submitted.
- 2 (9) If the board awards the contract to a bidder other than the
- 3 lowest bidder, the board must state in the minutes or memoranda,
- 4 at the time the award is made, the factors used to determine which
- 5 bidder is the lowest responsible and responsive bidder and to
- 6 justify the award. The board shall keep a copy of the minutes or
- 7 memoranda available for public inspection.
- 8 (10) In determining whether a bidder is responsive, the board may
- 9 consider the following factors:
- 10 (A) Whether the bidder has submitted a bid or quote that
- 11 conforms in all material respects to the specifications.
- 12 (B) Whether the bidder has submitted a bid that complies
- 13 specifically with the invitation to bid and the instructions to
- 14 bidders.
- 15 (C) Whether the bidder has complied with all applicable
- 16 statutes, ordinances, resolutions, or rules pertaining to the
- 17 award of a public contract.
- 18 (11) In determining whether a bidder is a responsible bidder, the
- 19 board may consider the following factors:
- 20 (A) The ability and capacity of the bidder to perform the work.
- 21 (B) The integrity, character, and reputation of the bidder.
- 22 (C) The competence and experience of the bidder.
- 23 (12) The board shall require the bidder to submit an affidavit:
- 24 (A) that the bidder has not entered into a combination or
- 25 agreement:
- 26 (i) relative to the price to be bid by a person;
- 27 (ii) to prevent a person from bidding; or
- 28 (iii) to induce a person to refrain from bidding; and
- 29 (B) that the bidder's bid is made without reference to any other
- 30 bid.
- 31 (c) Notwithstanding subsection (b)(8), a county may award sand,
- 32 gravel, asphalt paving materials, or crushed stone contracts to more
- 33 than one (1) responsible and responsive bidder if the specifications
- 34 allow for bids to be based upon service to specific geographic areas and
- 35 the contracts are awarded by geographic area. The geographic areas do
- 36 not need to be described in the specifications.
- 37 SECTION 22. IC 36-1-12-5 IS AMENDED TO READ AS
- 38 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. (a) This section
- 39 applies whenever a public work project is estimated to cost less than
- 40 ~~twenty-five~~ **fifty** thousand dollars (~~\$25,000~~). (**\$50,000**). Except as
- 41 provided in subsection (g) for local boards of aviation commissioners
- 42 and local airport authorities, if a contract is to be awarded, the board

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may proceed under section 4 of this chapter or under subsection (b) or (c).

(b) The board must proceed under the following provisions:

(1) The board shall invite quotes from at least three (3) persons known to deal in the class of work proposed to be done by mailing them a notice stating that plans and specifications are on file in a specified office. The notice must be mailed not less than seven (7) days before the time fixed for receiving quotes.

(2) The board may not require a person to submit a quote before the meeting at which quotes are to be received. The meeting for receiving quotes must be open to the public. All quotes received shall be opened publicly and read aloud at the time and place designated and not before.

(3) The board shall award the contract for the public work to the lowest responsible and responsive quoter.

(4) The board may reject all quotes submitted.

(5) If the board rejects all quotes under subdivision (4) of this section, the board may negotiate and enter into agreements for the work in the open market without inviting or receiving quotes if the board establishes in writing the reasons for rejecting the quotes.

(c) The board may not proceed under subsection (b) for the resurfacing (as defined in IC 8-14-2-1) of a road, street, or bridge, unless:

(1) the weight or volume of the materials in the project is capable of accurate measurement and verification; and

(2) the specifications define the geographic points at which the project begins and ends.

(d) For the purposes of this section, if contiguous sections of a road, street, or bridge are to be resurfaced in a calendar year, all of the work shall be considered to comprise a single public work project.

(e) The board may purchase or lease supplies in the manner provided in IC 5-22 and perform the public work by means of its own workforce without awarding a public work contract.

(f) Before the board may perform any work under this section by means of its own workforce, the political subdivision or agency must have a group of employees on its staff who are capable of performing the construction, maintenance, and repair applicable to that work.

(g) This subsection applies to local boards of aviation commissioners operating under IC 8-22-2 and local airport authorities operating under IC 8-22-3. If the contract is to be awarded by a board to which this subsection applies, or to a designee of the board under

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subsection (h), the board or its designee may proceed under section 4 of this chapter or under the following provisions. The board or its designee may invite quotes from at least three (3) persons known to deal in the class of work proposed to be done by mailing the persons a copy of the plans and specifications for the work not less than seven (7) days before the time fixed for receiving quotes. If the board or its designee receives a satisfactory quote, the board or its designee shall award the contract to the lowest responsible and responsive quoter for the class of work required. The board or its designee may reject all quotes submitted and, if no valid quotes are received for the class of work, contract for the work without further invitations for quotes.

(h) The board may delegate its authority to award a contract for a public works project that is estimated to cost less than fifty thousand dollars (\$50,000) to the airport personnel in charge of airport public works projects.

SECTION 23. IC 36-1-12.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. (a) The governing body may enter into an agreement with a public utility to participate in a utility energy efficiency program or enter into a guaranteed energy savings contract with a qualified provider to reduce the school corporation's or the political subdivision's energy consumption costs or operating costs if, after review of the report described in section 6 of this chapter, the governing body finds:

(1) that the amount the governing body would spend on the energy conservation measures under the contract and that are recommended in the report is not likely to exceed the amount to be saved in energy consumption costs and other operating costs over ten (10) years from the date of installation if the recommendations in the report were followed; and

(2) in the case of a guaranteed energy savings contract, the qualified provider provides a written guarantee as described in subsection (d)(2).

(b) Before entering into an agreement to participate in a utility energy efficiency program or a guaranteed energy savings contract under this section, the governing body must publish notice under subsection (c) indicating:

(1) that the governing body is requesting public utilities or qualified providers to propose energy conservation measures through either a utility energy efficiency program or a guaranteed energy savings contract; and

(2) the date, the time, and the place where proposals must be received.

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(c) The notice required by subsection (b) must:

(1) be published in two (2) newspapers of general circulation in the county where the school corporation or the political subdivision is located;

(2) be published two (2) times with at least one (1) week between publications and with the second publication made:

(A) at least thirty (30) days before the date by which proposals must be received, **in the case of a governing body that is not the governing body of a city or town; or**

(B) **at least seven (7) days before the date by which proposals must be received, in the case of a governing body of a city or town; and**

(3) meet the requirements of IC 5-3-1-1.

(d) An agreement to participate in a utility energy efficiency program or guaranteed energy savings contract under this section must provide that:

(1) all payments, except obligations upon the termination of the agreement or contract before the agreement or contract expires, may be made to the public utility or qualified provider (whichever applies) in installments, not to exceed the lesser of ten (10) years or the average life of the energy conservation measures installed from the date of final installation; and

(2) in the case of the guaranteed energy savings contract:

(A) the savings in energy and operating costs due to the energy conservation measures are guaranteed to cover the costs of the payments for the measures; and

(B) the qualified provider will reimburse the school corporation or political subdivision for the difference between the guaranteed savings and the actual savings; and

(3) payments are subject to annual appropriation by the fiscal body of the school corporation or political subdivision and do not constitute an indebtedness of the school corporation or political subdivision within the meaning of a constitutional or statutory debt limitation.

(e) An agreement or a contract under this chapter is subject to IC 5-16-7.

SECTION 24. IC 36-4-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. (a) The legislative body shall hold its first regular meeting **in its chamber at 7:30 p.m. on the first Monday** in January after its election. In subsequent months, the legislative body shall hold regular meetings at least once a month, unless its rules require more frequent meetings.

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(b) A special meeting of the legislative body shall be held when called by the city executive or when called under the rules of the legislative body.

SECTION 25. IC 36-4-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) This subsection applies only to second class cities. At its first regular meeting under section 7 of this chapter, and ~~on the first Monday of~~ each succeeding January, the legislative body shall choose from its members a president and a vice president.

(b) This subsection applies only to third class cities. The city executive shall preside at all meetings of the legislative body, but may vote only in order to break a tie. At its first regular meeting under section 7 of this chapter and ~~on the first Monday of~~ each succeeding January, the legislative body shall choose from its members a president pro tempore to preside whenever the executive is absent.

SECTION 26. IC 36-4-6-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 20. (a) The legislative body may, by ordinance, make loans of money for not more than ~~five~~ **(5) ten (10)** years and issue notes for the purpose of refunding those loans. The loans may be made only for the purpose of procuring money to be used in the exercise of the powers of the city, and the total amount of outstanding loans under this subsection may not exceed five percent (5%) of the city's total tax levy in the current year (excluding amounts levied to pay debt service and lease rentals). Loans under this subsection shall be made in the same manner as loans made under section 19 of this chapter, except that:

(1) the ordinance authorizing the loans must pledge to their payment a sufficient amount of tax revenues over the ensuing ~~five~~ **(5) ten (10)** years to provide for refunding the loans; and

(2) the loans must be evidenced by notes of the city in terms designating the nature of the consideration, the time and place payable, and the revenues out of which they will be payable.

Notes issued under this subsection are not bonded indebtedness for purposes of IC 6-1.1-18.5.

(b) The legislative body may, by ordinance, make loans and issue notes for the purpose of refunding those loans in anticipation of revenues of the city that are anticipated to be levied and collected during the term of the loans. The term of a loan made under this subsection may not be more than ~~five~~ **(5) ten (10)** years. Loans under this subsection shall be made in the same manner as loans made under section 19 of this chapter, except that:

(1) the ordinance authorizing the loans must appropriate and

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pledge to their payment a sufficient amount of the revenues in anticipation of which they are issued and out of which they are payable; and

(2) the loans must be evidenced by time warrants of the city in terms designating the nature of the consideration, the time and place payable, and the revenues in anticipation of which they are issued and out of which they are payable.

(c) An action to contest the validity of a loan made under this section must be brought within fifteen (15) days from the day on which the ordinance is adopted.

SECTION 27. IC 36-4-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) As used in this section, "compensation" means the total of all money paid to an elected city officer for performing duties as a city officer, regardless of the source of funds from which the money is paid.

(b) The city legislative body shall, by ordinance, fix the annual compensation of all elected city officers. The ordinance must be published **two (2) times** under IC 5-3-1, **at least one (1) week apart**, with the **first second** publication **made** at least ~~thirty (30)~~ **seven (7)** days before final passage by the legislative body.

(c) The compensation of an elected city officer may not be changed in the year for which it is fixed, nor may it be reduced below the amount fixed for the previous year.

SECTION 28. IC 36-4-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) This section does not apply to compensation paid by a city to members of its police and fire departments.

(b) Subject to the approval of the city legislative body, the city executive shall fix the compensation of each appointive officer, deputy, and other employee of the city. The legislative body may reduce but may not increase any compensation fixed by the executive. Compensation must be fixed under this section ~~before~~

~~(1) September 20 for a third class city; and~~

~~(2) September 30 for a second class city;~~

not later than September 30 of each year for the ensuing budget year.

(c) Compensation fixed under this section may not be increased during the budget year for which it is fixed, but may be reduced by the executive.

(d) Notwithstanding subsection (b), the city clerk may, with the approval of the legislative body, fix the salaries of deputies and employees appointed under IC 36-4-11-4.

SECTION 29. IC 36-4-7-11 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 11. If the city legislative body does not pass the ~~ordinances~~ **ordinance** required by section 7 of this chapter ~~on or before~~

(1) ~~September 20~~ for a third class city; and

(2) ~~September 30~~ for a second class city;

before October 1 of each year, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

SECTION 30. IC 36-5-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 10. (a) An ordinance, order, or resolution passed by the legislative body is considered adopted when it is signed by the executive. If required by statute, an adopted ordinance, order, or resolution must be promulgated or published before it takes effect.

(b) An ordinance prescribing a penalty for a violation must, before it takes effect, be published in the manner prescribed by IC 5-3-1, unless:

(1) it is published under IC 36-1-5; or

(2) it declares an emergency requiring its immediate effectiveness and is posted in:

(A) one (1) public place in each district in the town; or

(B) a number of public places in the town equal to the number of town legislative body members, if the town has abolished legislative body districts under section 4.1 of this chapter.

(c) This section does not apply to a zoning ordinance or amendment to a zoning ordinance, or a resolution approving a comprehensive plan, that is adopted under IC 36-7.

(d) An ordinance increasing a building permit fee on new development must:

(1) be published:

(A) ~~one (1) time~~ **two (2) times** in accordance with IC 5-3-1, **at least one (1) week apart**; and

(B) not later than thirty (30) days after the ordinance is adopted by the legislative body in accordance with IC 5-3-1; and

(2) delay the implementation of the fee increase for ninety (90) days after the date the ordinance is published under subdivision (1).

SECTION 31. IC 36-5-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 11. (a) The legislative body may issue bonds for the purpose of procuring money to be used in the exercise of the powers of the town and for the payment of town debts. However, a town may not issue bonds to procure money to pay

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1 current expenses.

2 (b) Bonds issued under this section are payable in the amounts and
3 at the times determined by the legislative body.

4 (c) Bonds issued under this section are subject to the provisions of
5 IC 5-1 and IC 6-1.1-20 relating to the filing of a petition requesting the
6 issuance of bonds and giving notice of the petition, the giving of notice
7 of a hearing on the appropriation of the proceeds of bonds, the right of
8 taxpayers to appear and be heard on the proposed appropriation, the
9 approval of the appropriation by the department of local government
10 finance, the right of taxpayers to remonstrate against the issuance of
11 bonds, and the sale of bonds at public sale for not less than their par
12 value.

13 (d) The legislative body may, by ordinance, make loans of money
14 for not more than ~~five (5)~~ **ten (10)** years and issue notes for the purpose
15 of refunding those loans. The loans may be made only for the purpose
16 of procuring money to be used in the exercise of the powers of the
17 town, and the total amount of outstanding loans under this subsection
18 may not exceed five percent (5%) of the town's total tax levy in the
19 current year (excluding amounts levied to pay debt service and lease
20 rentals). Loans under this subsection shall be made as follows:

21 (1) The ordinance authorizing the loans must pledge to their
22 payment a sufficient amount of tax revenues over the ensuing ~~five~~
23 **(5) ten (10)** years to provide for refunding the loans.

24 (2) The loans must be evidenced by notes of the town in terms
25 designating the nature of the consideration, the time and place
26 payable, and the revenues out of which they will be payable.

27 (3) The interest accruing on the notes to the date of maturity may
28 be added to and included in their face value or be made payable
29 periodically, as provided in the ordinance.

30 Notes issued under this subsection are not bonded indebtedness for
31 purposes of IC 6-1.1-18.5.

32 SECTION 32. IC 36-5-2-12 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12. (a) The legislative
34 body may, by ordinance, make loans and issue notes for the purpose of
35 refunding those loans in anticipation of revenues of the town that are
36 anticipated to be levied and collected during the term of the loans. The
37 term of a loan made under this subsection may not be more than ~~five~~
38 **(5) ten (10)** years. Loans under this section shall be made in the same
39 manner as loans made under section 11(b) and 11(c) of this chapter,
40 except that:

41 (1) the ordinance authorizing the loans must appropriate and
42 pledge to the payment of the loans a sufficient amount of the

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1 revenues in anticipation of which the loans are issued and out of
2 which the loans are payable; and

3 (2) the loans must be evidenced by time warrants of the town in
4 terms designating the nature of the consideration, the time and
5 place payable, and the revenues in anticipation of which the loans
6 are issued and out of which the loans are payable.

7 (b) An action to contest the validity of a loan made under this
8 section must be brought within fifteen (15) days from the day on which
9 the ordinance is adopted.

10 SECTION 33. IC 36-7-4-920 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 920. (a) The board of
12 zoning appeals shall fix a reasonable time for the hearing of
13 administrative appeals, exceptions, uses, and variances.

14 (b) Public notice in accordance with IC 5-3-1-2 and IC 5-3-1-4 and
15 due notice to interested parties shall be given at least ten (10) days
16 before the date set for the hearing. **In the case of a municipal board
17 of zoning appeals, the public notice under IC 5-3-1-2 must be
18 published two (2) times, at least one (1) week apart, with the second
19 publication made at least seven (7) days before the date set for the
20 hearing.**

21 (c) The party taking the appeal, or applying for the exception, use,
22 or variance, may be required to assume the cost of public notice and
23 due notice to interested parties. At the hearing, each party may appear
24 in person, by agent, or by attorney.

25 (d) The board shall, by rule, determine who are interested parties,
26 how notice is to be given to them, and who is required to give that
27 notice.

28 (e) The staff (as defined in the zoning ordinance), if any, may appear
29 before the board at the hearing and present evidence in support of or in
30 opposition to the granting of a variance or the determination of any
31 other matter.

32 (f) Other persons may appear and present relevant evidence.

33 (g) A person may not communicate with any member of the board
34 before the hearing with intent to influence the member's action on a
35 matter pending before the board. Not less than five (5) days before the
36 hearing, however, the staff (as defined in the zoning ordinance), if any,
37 may file with the board a written statement setting forth any facts or
38 opinions relating to the matter.

39 (h) The board may require any party adverse to any pending petition
40 to enter a written appearance specifying the party's name and address.
41 If the written appearance is entered more than four (4) days before the
42 hearing, the board may also require the petitioner to furnish each

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adverse party with a copy of the petition and a plot plan of the property involved.

SECTION 34. IC 36-7-7.6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) The following members shall be appointed to the commission:

(1) A member of the county executive of each county described in section 1 of this chapter, to be appointed by the county executive.

(2) A member of the county fiscal body of each county described in section 1 of this chapter, to be appointed by the county fiscal body.

(3) The county surveyor of each county described in section 1 of this chapter.

(4) For a county having a population of not more than four hundred thousand (400,000), one (1) person appointed by the executive of each of the eleven (11) largest municipalities.

(5) For a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), one (1) person appointed by the executive of each of the nineteen (19) largest municipalities.

(6) Beginning July 1, 2007, one (1) person appointed by the trustee of each township that:

(A) is located in a county described in section 1 of this chapter;

(B) has a population of at least eight thousand (8,000); and

(C) does not contain a municipality.

(b) One (1) voting member of the commission shall be appointed by the governor. The member appointed under this subsection may not vote in a weighted vote under section 9 of this chapter.

(c) A member of the commission who is a county surveyor may not vote in a weighted vote under section 9 of this chapter.

SECTION 35. IC 36-8-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) A majority of the members of the safety board constitutes a quorum. The board shall adopt rules concerning the time of holding regular and special meetings and of giving notice of them. The board shall elect one (1) of its members chairman, who holds the position as long as prescribed by the rules of the board. The board shall record all of its proceedings.

(b) The members of the safety board may act only as a board. No member may bind the board or the city except by resolution entered in the records of the board authorizing ~~him~~ **the member** to act in its behalf as its authorized agent.

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(c) The safety board shall appoint:

- (1) the members and other employees of the police department other than those in an upper level policymaking position;
- (2) the members and other employees of the fire department other than those in an upper level policymaking position;
- (3) a market master; and
- (4) other officials that are necessary for public safety purposes.

(d) The annual compensation of all members of the police and fire departments and other appointees shall be fixed by ordinance of the legislative body ~~before~~

~~(1) September 20 for a second class city; and~~

~~(2) September 20 for a third class city;~~

not later than September 30 of each year for the ensuing budget year. The ordinance may grade the members of the departments and regulate their pay by rank as well as by length of service. If the legislative body fails to adopt an ordinance fixing the compensation of members of the police or fire department, the safety board may fix their compensation, subject to change by ordinance.

(e) The safety board, subject to ordinance, may also fix the number of members of the police and fire departments and the number of appointees for other purposes and may, subject to law, adopt rules for the appointment of members of the departments and for their government.

(f) The safety board shall divide the city into police precincts and fire districts.

(g) The police chief has exclusive control of the police department, and the fire chief has exclusive control of the fire department, subject to the rules and orders of the safety board. In time of emergency, the police chief and the fire chief are, for the time being, subordinate to the city executive and shall obey ~~his~~ **the city executive's** orders and directions, notwithstanding any law or rule to the contrary.

SECTION 36. IC 36-9-3-5, AS AMENDED BY P.L.114-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) An authority is under the control of a board (referred to as "the board" in this chapter) that, except as provided in subsections (b) and (c), consists of:

- (1) two (2) members appointed by the executive of each county in the authority;
- (2) one (1) member appointed by the executive of the largest municipality in each county in the authority;
- (3) one (1) member appointed by the executive of each second class city in a county in the authority; and

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(4) one (1) member from any other political subdivision that has public transportation responsibilities in a county in the authority.

(b) An authority that includes a consolidated city is under the control of a board consisting of the following:

(1) Two (2) members appointed by the executive of the county having the consolidated city.

(2) One (1) member appointed by the board of commissioners of the county having the consolidated city.

(3) One (1) member appointed by the executive of each other county in the authority.

(4) Two (2) members appointed by the governor from a list of at least five (5) names provided by the Indianapolis regional transportation council.

(5) One (1) member representing the four (4) largest municipalities in the authority located in a county other than a county containing a consolidated city. The member shall be appointed by the executives of the municipalities acting jointly.

(6) One (1) member representing the excluded cities located in a county containing a consolidated city that are members of the authority. The member shall be appointed by the executives of the excluded cities acting jointly.

(7) One (1) member of a labor organization representing employees of the authority who provide public transportation services within the geographic jurisdiction of the authority. The labor organization shall appoint the member.

(c) An authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) is under the control of a board consisting of the following ~~sixteen (16)~~ **twenty-one (21)** members:

(1) Three (3) members appointed by the executive of a city with a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).

(2) Two (2) members appointed by the executive of a city with a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

(3) One (1) member jointly appointed by the executives of the following municipalities located within a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

(A) A city with a population of more than five thousand one hundred thirty-five (5,135) but less than five thousand two hundred (5,200).

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- 1 (B) A city with a population of more than thirty-two thousand
 2 (32,000) but less than thirty-two thousand eight hundred
 3 (32,800).
 4 (4) One (1) member who is jointly appointed by the fiscal body of
 5 the following municipalities located within a county with a
 6 population of more than four hundred thousand (400,000) but less
 7 than seven hundred thousand (700,000):
 8 (A) A town with a population of more than fifteen thousand
 9 (15,000) but less than twenty thousand (20,000).
 10 (B) A town with a population of more than twenty-three
 11 thousand (23,000) but less than twenty-four thousand
 12 (24,000).
 13 (C) A town with a population of more than twenty thousand
 14 (20,000) but less than twenty-three thousand (23,000).
 15 (5) One (1) member who is jointly appointed by the fiscal body of
 16 the following municipalities located within a county with a
 17 population of more than four hundred thousand (400,000) but less
 18 than seven hundred thousand (700,000):
 19 (A) A town with a population of more than eight thousand
 20 (8,000) but less than nine thousand (9,000).
 21 (B) A town with a population of more than twenty-four
 22 thousand (24,000) but less than thirty thousand (30,000).
 23 (C) A town with a population of more than twelve thousand
 24 five hundred (12,500) but less than fifteen thousand (15,000).
 25 (6) One (1) member who is jointly appointed by the following
 26 authorities of municipalities located in a county having a
 27 population of more than four hundred thousand (400,000) but less
 28 than seven hundred thousand (700,000):
 29 (A) The executive of a city with a population of more than
 30 nineteen thousand eight hundred (19,800) but less than
 31 twenty-one thousand (21,000).
 32 (B) The fiscal body of a town with a population of more than
 33 nine thousand (9,000) but less than twelve thousand five
 34 hundred (12,500).
 35 (C) The fiscal body of a town with a population of more than
 36 five thousand (5,000) but less than eight thousand (8,000).
 37 (D) The fiscal body of a town with a population of less than
 38 one thousand five hundred (1,500).
 39 (E) The fiscal body of a town with a population of more than
 40 two thousand two hundred (2,200) but less than five thousand
 41 (5,000).
 42 (7) One (1) member appointed by the fiscal body of a town with

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a population of more than thirty thousand (30,000) located within a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(8) One (1) member who is jointly appointed by the following authorities of municipalities that are located within a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

(A) The executive of a city having a population of more than twenty-five thousand (25,000) but less than twenty-seven thousand (27,000).

(B) The executive of a city having a population of more than thirteen thousand nine hundred (13,900) but less than fourteen thousand two hundred (14,200).

(C) The fiscal body of a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200).

(9) Three (3) members appointed by the fiscal body of a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(10) One (1) member appointed by the county executive of a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(11) One (1) member of a labor organization representing employees of the authority who provide public transportation services within the geographic jurisdiction of the authority. The labor organization shall appoint the member. If more than one (1) labor organization represents the employees of the authority, each organization shall submit one (1) name to the governor, and the governor shall appoint the member from the list of names submitted by the organizations.

(12) The executive of a city with a population of more than twenty-seven thousand four hundred (27,400) but less than twenty-eight thousand (28,000), located within a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000), or the executive's designee.

(13) The executive of a city with a population of more than thirty-three thousand (33,000) but less than thirty-six thousand (36,000), located within a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000), or the executive's designee.

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(14) One (1) member of the board of commissioners of a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000), appointed by the board of commissioners, or the member's designee.

(15) One (1) member appointed jointly by the town board executives of the following towns:

(A) Chesterton.

(B) Porter.

(C) Burns Harbor.

(D) Dune Acres.

The member appointed under this subdivision must be a resident of a town listed in this subdivision.

(16) One (1) member appointed jointly by the township executives of the following townships located in Porter County:

(A) Washington Township.

(B) Morgan Township.

(C) Pleasant Township.

(D) Boone Township.

(E) Union Township.

(F) Porter Township.

(G) Jackson Township.

(H) Liberty Township.

(I) Pine Township.

The member appointed under this subdivision must be a resident of a township listed in this subdivision.

SECTION 37. IC 36-9-3-9, AS AMENDED BY P.L.114-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) A majority of the members appointed to the board constitutes a quorum for a meeting.

(b) Except as provided in ~~subsections~~ **subsection** (c), ~~and (d)~~, the board may act officially by an affirmative vote of a majority of those present at the meeting at which the action is taken.

(c) If the authority includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), then:

(1) an affirmative vote of a majority of the board is necessary for an action to be taken; and

(2) a vacancy in membership does not impair the right of a quorum to exercise all rights and perform all duties of the board.

~~(d) This section applies to an authority that includes a county having~~

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a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). A member described in section 5(c)(12), 5(c)(13), or 5(c)(14) of this chapter may not vote on the distribution or payment of money by the authority unless a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000) pays to the authority the county's share of the authority's budget under this chapter and as agreed by the counties participating in the authority.

SECTION 38. IC 36-9-30-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 25. (a) After the lessor corporation and the unit have agreed upon the terms and conditions of a lease under section 24 of this chapter, and before the final execution of the lease, notice of a hearing to be held before the board shall be given to all interested persons. The hearing may not be earlier than:

(1) ten (10) days after the publication of notice, **in the case of a unit other than a city or town; or**

(2) seven (7) days after the publication of notice, **in the case of a city or town.**

(b) The notice of hearing shall be published:

(1) one (1) time in the manner prescribed by IC 5-3-1, **in the case of a unit other than a city or town; or**

(2) two (2) times in the manner prescribed by IC 5-3-1-2(n), **at least one (1) week apart, in the case of a city or town.**

The notice must name the day, place, and hour of the hearing and set forth a brief summary of the principal terms of the lease, including the location and name of the proposed lessor corporation, the character of the property to be leased, the rental to be paid, the term of the lease, and a summary of the terms of purchase under the option. The cost of publication shall be paid by the lessor corporation.

(c) The proposed lease, drawings, plans, specifications, and estimates for the solid waste disposal facilities shall be kept available for inspection by the public during the ten (10) day period and at the meeting.

(d) At the hearing, which may be adjourned from time to time, all interested persons are entitled to be heard upon the necessity for the execution of the lease and upon the fairness and reasonableness of the rental and purchase price provided for in the lease.

(e) After the hearing, the board may authorize the execution of the lease as originally agreed upon or make the modifications in the lease that are agreed upon with the lessor corporation. However, the lease rental or purchase price as set out in the published notice may not be increased.

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SECTION 39. IC 36-9-30-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 26. (a) When the execution of a lease is authorized under section 25 of this chapter, the board shall give:

(1) at least thirty (30) days notice of the date upon which the lease will be executed, **in the case of a unit other than a city or town;**
or

(2) **at least seven (7) days notice of the date upon which the lease will be executed, in the case of a city or town.**

(b) The notice shall be published:

(1) one (1) time in the manner prescribed by IC 5-3-1, **in the case of a unit other than a city or town; or**

(2) **two (2) times in the manner prescribed by IC 5-3-1-2(n), at least one (1) week apart, in the case of a city or town.**

(c) An action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease may not be brought after the execution of the lease.

SECTION 40. IC 36-9-39.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]:

Chapter 39.1. Alternative Assessment Financing for Municipal Sewage Works

Sec. 1. This chapter applies to all municipalities.

Sec. 2. As used in this chapter, "board" has the meaning set forth in IC 36-9-23-5.

Sec. 3. As used in this chapter, "fund" refers to a sewer improvement and extension fund established under section 5 of this chapter.

Sec. 4. If a board wants to construct, repair, extend, or improve a sewage works, the board may adopt a resolution providing that the construction, repair, extension, or improvement will be financed under this chapter.

Sec. 5. (a) A municipality may adopt an ordinance establishing a sewer improvement and extension fund to finance the construction, repair, extension, or improvement of a sewage works.

(b) A fund consists of the following:

(1) **A special assessment imposed and collected under section 7 of this chapter. However, a special assessment imposed and collected under any other statute may not be deposited in the fund.**

(2) **An appropriation to the fund, including an appropriation made from taxes levied by a municipal legislative body for the**

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1 construction, repair, extension, or improvement of a sewage
2 works.

3 Sec. 6. (a) The legislative body of a municipality that establishes
4 a fund may appropriate money from the municipal general fund
5 and transfer the money to the fund.

6 (b) During the fiscal year in which a municipality establishes a
7 fund, the legislative body of the municipality may make an
8 emergency appropriation from the municipal general fund and
9 transfer the money to the fund.

10 Sec. 7. (a) A board may adopt an ordinance or a resolution to
11 appropriate money from funds under the board's control to pay for
12 all or part of the cost of the construction, repair, extension, or
13 improvement of a sewage works.

14 (b) Any costs not paid under subsection (a) must be paid by:

15 (1) an assessment imposed under subsection (c) against the
16 benefited properties; or

17 (2) a contract under IC 36-9-22.

18 Any interest or penalties attributable to an assessment under this
19 section must be deposited in the fund.

20 (c) The board may adopt a resolution to impose an assessment
21 to finance the construction, repair, extension, or improvement of
22 a sewage works. The assessment must be imposed and collected as
23 provided by the street and sewer improvement statutes.

24 Sec. 8. (a) A contract for the construction, repair, extension, or
25 improvement of a sewage works is subject to the statutes
26 authorizing municipalities to make and finance public
27 improvements.

28 (b) Upon awarding a contract for the construction, repair,
29 extension, or improvement of a sewage works under this chapter,
30 a board shall:

31 (1) carefully compute the entire cost of the construction,
32 repair, extension, or improvement, including payments to the
33 contractor and all incidental costs, expenses, and damages
34 paid and incurred according to law; and

35 (2) prepare and make out an assessment roll listing the
36 assessments against the properties benefited.

37 In determining and fixing the amount of assessments, the giving of
38 notice of assessments, the holding of public hearings, and the
39 making of final determinations, subject to the right of appeal from
40 those determinations, the board is governed by the street and sewer
41 improvement statutes.

42 (c) An assessment under this chapter is a lien against the

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benefited property from the time of the letting of the contract and shall be collected in the manner provided for collection of Barrett Law assessments.

(d) The board shall fix a period of not more than twenty (20) years within which the assessments shall be paid.

(e) A property owner liable for an assessment may execute a waiver in the manner provided by the street and sewer improvement statutes to pay the assessment in annual installments over a period fixed by the board.

(f) All payments under this chapter are deposited into the fund.

SECTION 41. IC 36-1-12-4.7 IS REPEALED [EFFECTIVE JULY 1, 2006].

SECTION 42. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "member" refers to a person appointed under subsection (c)(3) or (c)(4) or to a legislator whose district includes all or part of Lake County, Porter County, LaPorte County, St. Joseph County, or Elkhart County.

(b) The northwest Indiana transportation study commission is established.

(c) The commission consists of fourteen (14) voting members appointed as follows:

(1) Six (6) members of the senate, not more than three (3) of whom may be members of the same political party, appointed by the president pro tempore of the senate.

(2) Six (6) members of the house of representatives, not more than three (3) of whom may be members of the same political party, appointed by the speaker of the house of representatives.

(3) One (1) individual who is not a legislator, appointed by the northwestern Indiana regional planning commission.

(4) One (1) individual who is not a legislator, appointed by the Michiana Area Council of Governments.

(d) The chairman of the legislative council shall select one (1) member of the commission to serve as chairperson of the commission, and the vice chairman of the legislative council shall select one (1) member of the commission to serve as vice chairperson of the commission.

(e) The commission shall:

(1) monitor the development of commuter transportation and rail service in the Lowell-Chicago and Valparaiso-Chicago corridors;

(2) study all aspects of regional mass transportation and road

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1 and highway needs in Lake County, Porter County, LaPorte
2 County, St. Joseph County, and Elkhart County;

3 (3) study northwest Indiana transportation, infrastructure,
4 and economic development issues; and

5 (4) study other topics as assigned by the legislative council.

6 (f) The commission shall submit a final report of the
7 commission's findings and recommendations to the legislative
8 council before November 1, 2009. The report must be in an
9 electronic format under IC 5-14-6.

10 (g) The commission shall operate under the rules of the
11 legislative council.

12 (h) This SECTION expires November 2, 2009.

13 SECTION 43. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1102, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 11, delete "or meeting." and insert "**for which a statute requires notice to be published under this chapter.**".

Page 3, line 40, delete "If a county auditor publishes a notice".

Page 3, delete lines 41 through 42.

Page 4, delete line 1.

Page 22, line 40, after "penalties" strike "of" and insert "**up to a specific dollar amount set forth in an ordinance adopted by the legislative body, but**".

Page 24, delete lines 34 through 42, begin a new paragraph and insert:

"SECTION 21. IC 36-1-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) This section applies whenever the cost of a public work project will be:

(1) at least seventy-five thousand dollars (\$75,000) in:

(A) a consolidated city or second class city;

(B) a county containing a consolidated city or second class city; or

(C) a regional water or sewage district established under IC 13-26;

(2) at least fifty thousand dollars (\$50,000) in:

(A) a third class city or town with a population of more than five thousand (5,000); or

(B) a county containing a third class city or town with a population of more than five thousand (5,000); or

(3) at least ~~twenty-five~~ **fifty** thousand dollars ~~(\$25,000)~~ **(\$50,000)** in a political subdivision or an agency not described in subdivision (1) or (2).

(b) The board must comply with the following procedure:

(1) The board shall prepare general plans and specifications describing the kind of public work required, but shall avoid specifications which might unduly limit competition. If the project involves the resurfacing (as defined by IC 8-14-2-1) of a road, street, or bridge, the specifications must show how the weight or volume of the materials will be accurately measured and verified.

(2) The board shall file the plans and specifications in a place reasonably accessible to the public, which shall be specified in the

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notice required by subdivision (3).

(3) Upon the filing of the plans and specifications, the board shall publish notice in accordance with IC 5-3-1 calling for sealed proposals for the public work needed.

(4) The notice must specify the place where the plans and specifications are on file and the date fixed for receiving bids.

(5) The period of time between the date of the first publication and the date of receiving bids shall be governed by the size of the contemplated project in the discretion of the board, but it may not be more than six (6) weeks.

(6) If the cost of a project is one hundred thousand dollars (\$100,000) or more, the board shall require the bidder to submit a financial statement, a statement of experience, a proposed plan or plans for performing the public work, and the equipment that the bidder has available for the performance of the public work. The statement shall be submitted on forms prescribed by the state board of accounts.

(7) The board may not require a bidder to submit a bid before the meeting at which bids are to be received. The meeting for receiving bids must be open to the public. All bids received shall be opened publicly and read aloud at the time and place designated and not before.

(8) Except as provided in subsection (c), the board shall:

(A) award the contract for public work or improvements to the lowest responsible and responsive bidder; or

(B) reject all bids submitted.

(9) If the board awards the contract to a bidder other than the lowest bidder, the board must state in the minutes or memoranda, at the time the award is made, the factors used to determine which bidder is the lowest responsible and responsive bidder and to justify the award. The board shall keep a copy of the minutes or memoranda available for public inspection.

(10) In determining whether a bidder is responsive, the board may consider the following factors:

(A) Whether the bidder has submitted a bid or quote that conforms in all material respects to the specifications.

(B) Whether the bidder has submitted a bid that complies specifically with the invitation to bid and the instructions to bidders.

(C) Whether the bidder has complied with all applicable statutes, ordinances, resolutions, or rules pertaining to the award of a public contract.

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(11) In determining whether a bidder is a responsible bidder, the board may consider the following factors:

- (A) The ability and capacity of the bidder to perform the work.
- (B) The integrity, character, and reputation of the bidder.
- (C) The competence and experience of the bidder.

(12) The board shall require the bidder to submit an affidavit:

- (A) that the bidder has not entered into a combination or agreement:
 - (i) relative to the price to be bid by a person;
 - (ii) to prevent a person from bidding; or
 - (iii) to induce a person to refrain from bidding; and
- (B) that the bidder's bid is made without reference to any other bid.

(c) Notwithstanding subsection (b)(8), a county may award sand, gravel, asphalt paving materials, or crushed stone contracts to more than one (1) responsible and responsive bidder if the specifications allow for bids to be based upon service to specific geographic areas and the contracts are awarded by geographic area. The geographic areas do not need to be described in the specifications."

Delete page 25.

Page 26, delete lines 1 through 37.

Page 26, line 41, delete "seventy-five" and insert "**fifty**".

Page 26, line 41, delete "\$75,000" and insert "**(\$50,000)**".

Page 35, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 34. IC 36-7-7.6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) The following members shall be appointed to the commission:

- (1) A member of the county executive of each county described in section 1 of this chapter, to be appointed by the county executive.
- (2) A member of the county fiscal body of each county described in section 1 of this chapter, to be appointed by the county fiscal body.
- (3) The county surveyor of each county described in section 1 of this chapter.
- (4) For a county having a population of not more than four hundred thousand (400,000), one (1) person appointed by the executive of each of the eleven (11) largest municipalities.
- (5) For a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), one (1) person appointed by the executive of each of the nineteen (19) largest municipalities.

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(6) Beginning July 1, 2007, one (1) person appointed by the trustee of each township that:

(A) is located in a county described in section 1 of this chapter;

(B) has a population of at least eight thousand (8,000); and

(C) does not contain a municipality.

(b) One (1) voting member of the commission shall be appointed by the governor. The member appointed under this subsection may not vote in a weighted vote under section 9 of this chapter.

(c) A member of the commission who is a county surveyor may not vote in a weighted vote under section 9 of this chapter."

Page 36, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 36. IC 36-9-3-5, AS AMENDED BY P.L.114-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) An authority is under the control of a board (referred to as "the board" in this chapter) that, except as provided in subsections (b) and (c), consists of:

(1) two (2) members appointed by the executive of each county in the authority;

(2) one (1) member appointed by the executive of the largest municipality in each county in the authority;

(3) one (1) member appointed by the executive of each second class city in a county in the authority; and

(4) one (1) member from any other political subdivision that has public transportation responsibilities in a county in the authority.

(b) An authority that includes a consolidated city is under the control of a board consisting of the following:

(1) Two (2) members appointed by the executive of the county having the consolidated city.

(2) One (1) member appointed by the board of commissioners of the county having the consolidated city.

(3) One (1) member appointed by the executive of each other county in the authority.

(4) Two (2) members appointed by the governor from a list of at least five (5) names provided by the Indianapolis regional transportation council.

(5) One (1) member representing the four (4) largest municipalities in the authority located in a county other than a county containing a consolidated city. The member shall be appointed by the executives of the municipalities acting jointly.

(6) One (1) member representing the excluded cities located in a county containing a consolidated city that are members of the

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authority. The member shall be appointed by the executives of the excluded cities acting jointly.

(7) One (1) member of a labor organization representing employees of the authority who provide public transportation services within the geographic jurisdiction of the authority. The labor organization shall appoint the member.

(c) An authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) is under the control of a board consisting of the following ~~sixteen (16)~~ **twenty-one (21)** members:

(1) Three (3) members appointed by the executive of a city with a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).

(2) Two (2) members appointed by the executive of a city with a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

(3) One (1) member jointly appointed by the executives of the following municipalities located within a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

(A) A city with a population of more than five thousand one hundred thirty-five (5,135) but less than five thousand two hundred (5,200).

(B) A city with a population of more than thirty-two thousand (32,000) but less than thirty-two thousand eight hundred (32,800).

(4) One (1) member who is jointly appointed by the fiscal body of the following municipalities located within a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

(A) A town with a population of more than fifteen thousand (15,000) but less than twenty thousand (20,000).

(B) A town with a population of more than twenty-three thousand (23,000) but less than twenty-four thousand (24,000).

(C) A town with a population of more than twenty thousand (20,000) but less than twenty-three thousand (23,000).

(5) One (1) member who is jointly appointed by the fiscal body of the following municipalities located within a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

(A) A town with a population of more than eight thousand

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(8,000) but less than nine thousand (9,000).

(B) A town with a population of more than twenty-four thousand (24,000) but less than thirty thousand (30,000).

(C) A town with a population of more than twelve thousand five hundred (12,500) but less than fifteen thousand (15,000).

(6) One (1) member who is jointly appointed by the following authorities of municipalities located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

(A) The executive of a city with a population of more than nineteen thousand eight hundred (19,800) but less than twenty-one thousand (21,000).

(B) The fiscal body of a town with a population of more than nine thousand (9,000) but less than twelve thousand five hundred (12,500).

(C) The fiscal body of a town with a population of more than five thousand (5,000) but less than eight thousand (8,000).

(D) The fiscal body of a town with a population of less than one thousand five hundred (1,500).

(E) The fiscal body of a town with a population of more than two thousand two hundred (2,200) but less than five thousand (5,000).

(7) One (1) member appointed by the fiscal body of a town with a population of more than thirty thousand (30,000) located within a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(8) One (1) member who is jointly appointed by the following authorities of municipalities that are located within a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

(A) The executive of a city having a population of more than twenty-five thousand (25,000) but less than twenty-seven thousand (27,000).

(B) The executive of a city having a population of more than thirteen thousand nine hundred (13,900) but less than fourteen thousand two hundred (14,200).

(C) The fiscal body of a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200).

(9) Three (3) members appointed by the fiscal body of a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

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(10) One (1) member appointed by the county executive of a county with a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(11) One (1) member of a labor organization representing employees of the authority who provide public transportation services within the geographic jurisdiction of the authority. The labor organization shall appoint the member. If more than one (1) labor organization represents the employees of the authority, each organization shall submit one (1) name to the governor, and the governor shall appoint the member from the list of names submitted by the organizations.

(12) The executive of a city with a population of more than twenty-seven thousand four hundred (27,400) but less than twenty-eight thousand (28,000), located within a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000), or the executive's designee.

(13) The executive of a city with a population of more than thirty-three thousand (33,000) but less than thirty-six thousand (36,000), located within a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000), or the executive's designee.

(14) One (1) member of the board of commissioners of a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000), appointed by the board of commissioners, or the member's designee.

(15) One (1) member appointed jointly by the town board executives of the following towns:

- (A) Chesterton.**
- (B) Porter.**
- (C) Burns Harbor.**
- (D) Dune Acres.**

The member appointed under this subdivision must be a resident of a town listed in this subdivision.

(16) One (1) member appointed jointly by the township executives of the following townships located in Porter County:

- (A) Washington Township.**
- (B) Morgan Township.**
- (C) Pleasant Township.**

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- (D) Boone Township.
- (E) Union Township.
- (F) Porter Township.
- (G) Jackson Township.
- (H) Liberty Township.
- (I) Pine Township.

The member appointed under this subdivision must be a resident of a township listed in this subdivision.

SECTION 37. IC 36-9-3-9, AS AMENDED BY P.L.114-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) A majority of the members appointed to the board constitutes a quorum for a meeting.

(b) Except as provided in ~~subsections~~ **subsection** (c), ~~and (d)~~; the board may act officially by an affirmative vote of a majority of those present at the meeting at which the action is taken.

(c) If the authority includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), then:

(1) an affirmative vote of a majority of the board is necessary for an action to be taken; and

(2) a vacancy in membership does not impair the right of a quorum to exercise all rights and perform all duties of the board.

(d) This section applies to an authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). A member described in section 5(c)(12), 5(c)(13), or 5(c)(14) of this chapter may not vote on the distribution or payment of money by the authority unless a county with a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000) pays to the authority the county's share of the authority's budget under this chapter and as agreed by the counties participating in the authority."

Page 37, between lines 12 and 13, begin a new paragraph and insert: "SECTION 40. IC 36-9-39.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]:

Chapter 39.1. Alternative Assessment Financing for Municipal Sewage Works

Sec. 1. This chapter applies to all municipalities.

Sec. 2. As used in this chapter, "board" has the meaning set forth in IC 36-9-23-5.

Sec. 3. As used in this chapter, "fund" refers to a sewer

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improvement and extension fund established under section 5 of this chapter.

Sec. 4. If a board wants to construct, repair, extend, or improve a sewage works, the board may adopt a resolution providing that the construction, repair, extension, or improvement will be financed under this chapter.

Sec. 5. (a) A municipality may adopt an ordinance establishing a sewer improvement and extension fund to finance the construction, repair, extension, or improvement of a sewage works.

(b) A fund consists of the following:

(1) A special assessment imposed and collected under section 7 of this chapter. However, a special assessment imposed and collected under any other statute may not be deposited in the fund.

(2) An appropriation to the fund, including an appropriation made from taxes levied by a municipal legislative body for the construction, repair, extension, or improvement of a sewage works.

Sec. 6. (a) The legislative body of a municipality that establishes a fund may appropriate money from the municipal general fund and transfer the money to the fund.

(b) During the fiscal year in which a municipality establishes a fund, the legislative body of the municipality may make an emergency appropriation from the municipal general fund and transfer the money to the fund.

Sec. 7. (a) A board may adopt an ordinance or a resolution to appropriate money from funds under the board's control to pay for all or part of the cost of the construction, repair, extension, or improvement of a sewage works.

(b) Any costs not paid under subsection (a) must be paid by:

(1) an assessment imposed under subsection (c) against the benefited properties; or

(2) a contract under IC 36-9-22.

Any interest or penalties attributable to an assessment under this section must be deposited in the fund.

(c) The board may adopt a resolution to impose an assessment to finance the construction, repair, extension, or improvement of a sewage works. The assessment must be imposed and collected as provided by the street and sewer improvement statutes.

Sec. 8. (a) A contract for the construction, repair, extension, or improvement of a sewage works is subject to the statutes authorizing municipalities to make and finance public

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improvements.

(b) Upon awarding a contract for the construction, repair, extension, or improvement of a sewage works under this chapter, a board shall:

- (1) carefully compute the entire cost of the construction, repair, extension, or improvement, including payments to the contractor and all incidental costs, expenses, and damages paid and incurred according to law; and
- (2) prepare and make out an assessment roll listing the assessments against the properties benefited.

In determining and fixing the amount of assessments, the giving of notice of assessments, the holding of public hearings, and the making of final determinations, subject to the right of appeal from those determinations, the board is governed by the street and sewer improvement statutes.

(c) An assessment under this chapter is a lien against the benefited property from the time of the letting of the contract and shall be collected in the manner provided for collection of Barrett Law assessments.

(d) The board shall fix a period of not more than twenty (20) years within which the assessments shall be paid.

(e) A property owner liable for an assessment may execute a waiver in the manner provided by the street and sewer improvement statutes to pay the assessment in annual installments over a period fixed by the board.

(f) All payments under this chapter are deposited into the fund."

Page 37, after line 14, begin a new paragraph and insert:

"SECTION 42. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "member" refers to a person appointed under subsection (c)(3) or (c)(4) or to a legislator whose district includes all or part of Lake County, Porter County, LaPorte County, St. Joseph County, or Elkhart County.

(b) The northwest Indiana transportation study commission is established.

(c) The commission consists of fourteen (14) voting members appointed as follows:

- (1) Six (6) members of the senate, not more than three (3) of whom may be members of the same political party, appointed by the president pro tempore of the senate.
- (2) Six (6) members of the house of representatives, not more than three (3) of whom may be members of the same political

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party, appointed by the speaker of the house of representatives.

(3) One (1) individual who is not a legislator, appointed by the northwestern Indiana regional planning commission.

(4) One (1) individual who is not a legislator, appointed by the Michiana Area Council of Governments.

(d) The chairman of the legislative council shall select one (1) member of the commission to serve as chairperson of the commission, and the vice chairman of the legislative council shall select one (1) member of the commission to serve as vice chairperson of the commission.

(e) The commission shall:

(1) monitor the development of commuter transportation and rail service in the Lowell-Chicago and Valparaiso-Chicago corridors;

(2) study all aspects of regional mass transportation and road and highway needs in Lake County, Porter County, LaPorte County, St. Joseph County, and Elkhart County;

(3) study northwest Indiana transportation, infrastructure, and economic development issues; and

(4) study other topics as assigned by the legislative council.

(f) The commission shall submit a final report of the commission's findings and recommendations to the legislative council before November 1, 2009. The report must be in an electronic format under IC 5-14-6.

(g) The commission shall operate under the rules of the legislative council.

(h) This SECTION expires November 2, 2009.

SECTION 43. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1102 as introduced.)

HINKLE, Chair

Committee Vote: yeas 10, nays 0.

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